



House of Representatives

General Assembly

File No. 300

January Session, 2021

Substitute House Bill No. 6231

House of Representatives, April 7, 2021

The Committee on Higher Education and Employment Advancement reported through REP. ELLIOTT of the 88th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING HEALTH INSURANCE BENEFITS FOR PART-TIME FACULTY EMPLOYED BY THE CONNECTICUT STATE UNIVERSITY SYSTEM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 5-259c of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2021*):

3 (a) Any part-time professional employee of the state system of public
4 higher education may elect to participate in the group hospitalization
5 and medical and surgical insurance plan established pursuant to
6 subsection (a) of section 5-259. Each employee who elects such coverage
7 shall pay the premium for the form of coverage elected under such plan.

8 (b) The Comptroller shall include any part-time professional
9 employee of the Connecticut State University System in the group
10 hospitalization and medical and surgical insurance plan established
11 pursuant to subsection (a) of section 5-259 who (1) elects to participate
12 in such plan pursuant to subsection (a) of this section, and (2) has taught

13 not less than ninety credit hours in aggregate during the preceding ten
14 academic years at any state university within the Connecticut State
15 University System. The state shall pay for each such employee covered
16 by such plan or plans the portion of the premium charged for such
17 employee's coverage on the same terms and conditions offered to part-
18 time professional employees of the Connecticut State University System
19 who teach nine or more credit hours in aggregate each semester.

This act shall take effect as follows and shall amend the following sections:		
Section	July 1, 2021	5-259c

HED *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Board of Regents for Higher Education	Various - Cost	1.6 million to 2.4 million	1.6 million to 2.4 million

Note: Various=Various

Municipal Impact: None

Explanation

The bill, which extends state employee health benefits to certain part-time experienced faculty who teach at a Connecticut state university, is anticipated to result in a cost to the Board of Regents of approximately \$1.6 million to \$2.4 million in both FY 22 and FY 23.

The bill's cost is due to the state newly paying the employer share of health insurance costs for part-time faculty members who: (1) teach fewer than nine credits; (2) have taught at least 90 credits cumulatively among the four Connecticut state universities, over the last ten academic years; and (3) choose to enroll in state health insurance coverage (and are not enrolled through other employment). Currently, all part-time faculty members who teach fewer than nine credits are eligible for state employee health benefits but must pay the full cost, including the employer share, regardless of experience level. (Part-time faculty members who teach more than nine credits across the CSUs are unaffected by this bill because they are already eligible to receive full state employee health benefits.)

The bill is estimated to result in a cost to the Board of Regents of \$1.6

million to \$2.4 million annually, beginning in FY 22. The estimate is based on an average cost to the state of \$1,115 per month for state medical and dental benefits selected by currently employed part-time experienced CSU faculty who have chosen to enroll in state health coverage. Seven months of coverage (fall and spring semesters) is assumed for a per-person average cost of \$7,804.¹ Based on employee-level data provided by the Office of the State Comptroller, an estimated 210 to 310 part-time experienced faculty may benefit from the bill, if they choose to enroll in coverage. The resulting cost is approximately \$1.6 million to \$2.4 million annually.

The cost of the bill is borne by the Board of Regents, instead of the Office of the State Comptroller (OSC), because of how fringe benefits are paid for employees of the constituent units. As the bill does not dedicate additional General Fund block grant dollars to the constituent units, or appropriate additional funds to OSC, it is assumed the costs will be paid through non-General Fund revenues of the Board of Regents.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation in state health benefits costs as reflected in the employer share and changes in the number of eligible experienced part-time CSU faculty.

¹ Part-time faculty members are eligible for health benefits only for the term of their contracts, according to a 2007 memo from the Office of the State Comptroller that continues to guide current policy.

OLR Bill Analysis**sHB 6231*****AN ACT CONCERNING HEALTH INSURANCE BENEFITS FOR PART-TIME FACULTY EMPLOYED BY THE CONNECTICUT STATE UNIVERSITY SYSTEM.*****SUMMARY**

By law, any part-time, professional employee of the state's public higher education system may choose to participate in the state's group medical insurance plan. Employees who participate must pay the premiums for the coverage plan they select. In practice, these employees must meet a 20 hour per week employment threshold as established in the state comptroller's issued guidance in order to be eligible to participate.

This bill extends eligibility for participating in the plan to part-time, professional employees of the Connecticut State University System (CSUS) who have taught at least 90 credit hours in the aggregate during the prior 10 academic years at any state university in the system. The bill also requires the state to pay the portion of the premium charged for each of these CSUS employees' coverage on the same terms and conditions offered to part-time, professional employees of the CSUS who teach nine or more credit hours in the aggregate each semester.

EFFECTIVE DATE: July 1, 2021

BACKGROUND***Connecticut State University System***

The system is comprised of the four Connecticut State Universities: Central Connecticut State University, Eastern Connecticut State University, Southern Connecticut State University, and Western Connecticut State University.

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 17 Nay 5 (03/22/2021)